



WILLIAM T FUJIOKA  
Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION  
LOS ANGELES, CALIFORNIA 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

July 1, 2008

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS: LOS ANGELES RIVER  
PARCEL 2018, ET AL.  
CONSENT TO ASSIGNMENT AND ASSUMPTION AGREEMENT OF  
DRILLING AND OPERATING AGREEMENT NO. 585-M  
CITY OF LONG BEACH  
(SUPERVISORIAL DISTRICT 4)  
(3 VOTES)**

**SUBJECT**

This action is to allow the Los Angeles County Flood Control District to consent to an assignment and assumption of a Drilling and Operating Agreement along portions of the Los Angeles River from Pacific Energy Resources Ltd. to Oxy Long Beach, Inc.

**IT IS RECOMMENDED THAT YOUR BOARD ACTING AS THE GOVERNING BODY  
OF THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT:**

1. Find this transaction categorically exempt from the provisions of the California Environmental Quality Act.
2. Consent to the Assignment and Assumption Agreement of a Drilling and Operating Agreement dated January 30, 1939, between the Pacific Energy Resources LTD to Oxy Long Beach, Inc.
3. Instruct the Chair to sign the Assignment and Assumption Agreement.

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the recommended actions is to allow the Los Angeles County Flood Control District (LACFCD) to consent to an assignment and assumption between Pacific Energy Resources, LTD (PER) and Oxy Long Beach, Inc. (OXY), of a Drilling and Operating Agreement between PER and LACFCD. OXY recently acquired all rights, title, and interest from PER and has agreed to assume all obligations of the Drilling and Operating Agreement.

### **Implementation of Strategic Plan Goals**

This action meets the Strategic Plan Goal of Fiscal Responsibility (Goal 4). The revenue from the Agreement will continue to be used for flood control purposes, and the property will enhance future revenues through assessment and taxation.

### **FISCAL IMPACT/FINANCING**

There will be no impact to the County General Fund.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The purpose of the Drilling and Operating Agreement is to allow for drilling to produce, extract, and remove oil, gas, and other hydrocarbons from the LACFCD right of way. PER and OXY are parties to a transaction under which PER assigned and OXY accepted all rights and obligations of the Drilling and Operating Agreement.

The Assignment and Assumption Agreement (Assignment) provides for the assignment and conveyance of all PER's rights, title, and interest in the Drilling and Operating Agreement to OXY. The terms of the Drilling and Operating Agreement require your Board's consent of the Assignment.

County Counsel has reviewed and approved the Assignment as to form.

### **ENVIRONMENTAL DOCUMENTATION**

The proposed Assignment is categorically exempt from the provisions of the California Environmental Quality Act (CEQA). This transaction is within the class of projects, which have been determined not to have a significant effect on the environment, meeting the criteria specified in Section 15304 of the State CEQA Guidelines and Class 4(j) of the Environmental Document Reporting Procedures and Guidelines, Appendix G, adopted by your Board on November 17, 1987.

The Honorable Board of Supervisors  
July 1, 2008  
Page 3

**CONCLUSION**

Please return one adopted copy of this letter and the executed original Assignment to the Department of Public Works, Mapping & Property Management Division.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. T. Fujioka', with a horizontal line extending to the right.

WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:DDE  
PAP:gp

Attachment

c: Auditor-Controller (Accounting Division-Asset Management)  
County Counsel  
Department of Public Works (Fiscal)

ORIGINAL

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

NAME OXY Long Beach, Inc.  
c/o Michael D. Gooding  
MAILING ADDRESS 9600 Ming Avenue  
Suite 300  
CITY, STATE ZIP CODE Bakersfield, CA 93311

(THIS SPACE RESERVED FOR RECORDER'S USE)

Documentary Transfer Tax \$ \_\_\_\_\_  
☐ Computed on value of interest conveyed.  
☐ Computed on value of interest conveyed less liens  
and encumbrances remaining thereon at time of sale.  
☐ No property transfer tax due.

By: Exempt pursuant to Gov't Code Section 27383

### ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement ("Assignment") is made on May 21, 2008, but shall be effective as provided herein, by and among Pacific Energy Resources Ltd., a Delaware corporation ("PER"), Petrocal Acquisition Corp., a Delaware corporation ("PAC" and together with PER is hereinafter "Assignor"), and OXY Long Beach, Inc., a Delaware corporation ("OXY").

### RECITALS

- A. The Los Angeles County Flood Control District, a body corporate and politic ("District"), and Continental Corporation entered into that certain Drilling and Operating Agreement dated January 30, 1939 and recorded in the Official Records of Los Angeles County, California on October 27, 1947 in Book 25702 at Page 297 (the "Original Agreement"). The Original Agreement has been amended from time to time, including, among others, by that certain unrecorded Fourth Agreement of Amendment dated February 23, 1966 by and between the District and Standard Oil Company of California, and by that certain unrecorded Confidential Settlement Agreement and Release dated November 4, 1997 by and among the District, Pacific Energy Resources, and Chevron U.S.A. Inc. The Original Agreement, as so amended, is referred to herein as the "Agreement."
- B. Assignor has succeeded to the interest of Continental Corporation under the Agreement.

- C. Assignor and OXY are parties to a transaction (the "Transaction") under which Assignor shall, upon the closing of the Transaction, assign all its rights and delegate all its duties under the Agreement to OXY, and OXY shall accept such rights and duties, effective as of 7:00 a.m. Los Angeles time, on January 1, 2008 (the "Effective Time").

NOW, THEREFORE, in consideration of the covenants contained herein, together with other valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Effective only as provided in paragraph 2 below, Assignor hereby assigns and conveys to OXY all of Assignor's right, title, and interest in and to the Agreement, and OXY hereby accepts such assignment and agrees for the benefit of District to assume all the obligations and perform all the duties of Assignor under the Agreement on and after the Effective Time. Notwithstanding the foregoing, nothing in this Assignment or otherwise shall serve to limit or reduce the liability of Assignor under the Agreement with respect to the District.
2. This Assignment shall only be effective upon: (i) the execution hereof by the District, and (ii) the closing of the Transaction between Assignor and OXY, as evidenced by the recording of this Assignment in the Official Records of Los Angeles County, California, provided this Assignment is so recorded on or before August 1, 2008. OXY shall promptly provide to the District a conformed copy reflecting recordation of this Assignment after its recordation.

IN WITNESS WHEREOF, the parties have executed this Assignment.

Pacific Energy Resources Ltd., a Delaware corporation

By: 

Its: Pacific Energy Resources Ltd.

Petrocal Acquisition Corp., a Delaware corporation

By: 

Its: Petrocal Acquisition Corp.

OXY Long Beach, Inc., a Delaware corporation

By: 

Its: ATTORNEY IN FACT

PURSUANT TO PARAGRAPH 16 OF THE AGREEMENT, THE DISTRICT HEREBY  
CONSENTS TO THE ASSIGNMENT OF THE AGREEMENT BY ASSIGNOR TO OXY IN  
ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS ASSIGNMENT





LOS ANGELES COUNTY FLOOD CONTROL DISTRICT,  
a body corporate and politic

By *Yvonne B. Bente*  
Chair, Board of Supervisors of the  
Los Angeles County Flood Control District

I hereby certify that pursuant to  
Section 25103 of the Government Code,  
delivery of this document has been made.

SACHI A. HAMAI  
Executive Officer  
Clerk of the Board of Directors

By *[Signature]*  
Deputy

(LACFCD-SEAL)

ATTEST:

SACHI A. HAMAI, Executive Officer  
of the Board of Supervisors  
of the County of Los Angeles

By *[Signature]*  
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.  
County Counsel

By *[Signature]*  
Deputy

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

35

JUL 01 2008

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

76622

NOTE: Acknowledgment form on reverse side.

35 of JUL 1 2008

STATE OF CALIFORNIA                    )  
  ) ss.  
COUNTY OF LOS ANGELES            )

On January 6, 1987, the Board of Supervisors for the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies, and authorities for which said Board so acts adopted a resolution pursuant to Section 25103 of the Government Code that authorized the use of facsimile signatures of the Chair of the Board on all papers, documents, or instruments requiring the Chair's signature.

The undersigned hereby certifies that on this 1<sup>ST</sup> day of JULY, 2008, the facsimile signature of YVONNE B. BURKE, Chair of the Board of Supervisors of the LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, was affixed hereto as the official execution of this document. The undersigned further certifies that on this date a copy of the document was delivered to the Chair of the Board of Supervisors of the LOS ANGELES COUNTY FLOOD CONTROL DISTRICT.

In witness whereof, I have also hereunto set my hand and affixed my official seal the day and year above written.



SACHI A. HAMAI, Executive Officer  
of the Board of Supervisors  
of the County of Los Angeles

By [Signature]  
Deputy

(LACFCD-SEAL)

APPROVED AS TO FORM

RAYMOND G. FORTNER, JR.  
County Counsel

By [Signature]  
Deputy

APPROVED as to title and execution, _____, 20____.
DEPARTMENT OF PUBLIC WORKS Mapping & Property Management Division
Supervising Title Examiner
By _____



ALL-PURPOSE ACKNOWLEDGMENT FOR CALIFORNIA

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

)  
) ss.  
)

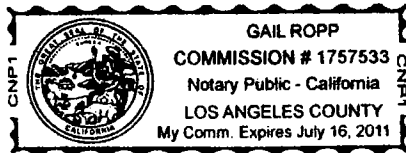
On MAY 21, 2008, before me, GAIL ROPP, NOTARY PUBLIC,  
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")

personally appeared DARREN KATIC PRESIDENTS OF PACIFIC ENERGY RESOURCES + PETROCAL ACQUISITION  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal Above

Gail Ropp  
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

CAPACITY CLAIMED BY SIGNER

- ☐ Individual  
☒ Corporate Officer

- \_\_\_\_\_  
Title(s)  
☐ Partner(s) ☐ Limited  
☐ General  
☐ Attorney-In-Fact  
☐ Trustee(s)  
☐ Guardian/Conservator  
☐ Other: \_\_\_\_\_

Signer is representing:  
Name Of Person(s) Or Entity(ies)

DESCRIPTION OF ATTACHED DOCUMENT

ASSIGNMENT AND ASSUMPTION AGREEMENT - DO AGREEMENT  
Title or Type of Document

3

Number Of Pages

MAY 21, 2008

Date Of Document

\_\_\_\_\_  
Signer(s) Other Than Named Above

ALL-PURPOSE ACKNOWLEDGMENT FOR CALIFORNIA

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

)  
) ss.  
)

On MAY 21, 2008, before me, GAIL ROPP, NOTARY PUBLIC  
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")

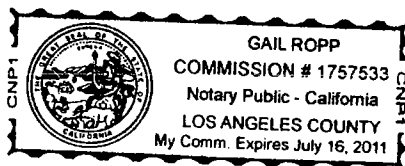
personally appeared MICHAEL GOODING

Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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☒ Corporate Officer

Title(s)

- ☐ Partner(s) ☐ Limited  
☒ Attorney-In-Fact ☐ General  
☐ Trustee(s)  
☐ Guardian/Conservator  
☐ Other: \_\_\_\_\_

Signer is representing:  
Name Of Person(s) Or Entity(ies)

DESCRIPTION OF ATTACHED DOCUMENT

ASSIGNMENT AND ASSUMPTION AGREEMENT -  
Title or Type of Document DO AGREEMENT

3  
Number Of Pages

MAY 21, 2008  
Date Of Document

Signer(s) Other Than Named Above